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SENATE RESOLUTION 144  
By Burks

A RESOLUTION relative to promotional incentives and gifts  
offered to college students by credit card  
issuers.

WHEREAS, it is now an all too common practice for credit card issuers to visit college  
and university campuses for the purpose of enticing students, through promotional incentives  
and gifts, to apply for their credit cards; and

WHEREAS, the often deceptive promotional incentives and recruitment practices utilized  
by credit card issuers on college campuses are especially disconcerting in light of the fact that  
Tennessee leads the nation in bankruptcy filings, at an incredible rate of one bankruptcy filing  
per 39 households; and

WHEREAS, financial experts attribute the national bankruptcy boom to the mass  
issuance of unsecured credit cards by credit card companies, which results in people, and  
especially young people, living beyond their means; and

WHEREAS, many college students are not mature enough to appreciate the  
consequences of accruing thousands of dollars in credit card debt, and do not realize that their  
inability to pay such debts in a timely fashion could be deleterious to their credit rating and their  
future and could even prevent them from completing their college education; and

WHEREAS, because they are concerned for their children's future and welfare and do  
not wish to see them saddled with huge debts as they embark upon their careers, parents often

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assume their children's credit card debts, even though they played no part in applying for such credit cards or in accruing the debts associated therewith; and

WHEREAS, these and many other untenable scenarios involving college students' credit card debts cause this Body to most fervently state that our young people are attending this state's colleges and universities to obtain a quality education, not to be preyed upon by credit card issuers because of their naivete' and inexperience; and

WHEREAS, it is past time for this state to affirm that our public colleges and universities are not in the business of promoting the issuance of credit cards to students; now, therefore,

BE IT RESOLVED BY THE SENATE OF THE ONE-HUNDREDTH GENERAL ASSEMBLY OF THE STATE OF TENNESSEE, That the Tennessee Board of Regents of the State University and Community College System and the University of Tennessee Board of Trustees are hereby directed to develop and establish for their respective systems policies that prohibit credit card issuers from recruiting potential customers on Tennessee's public college and university campuses by offering promotional incentives and gifts to entice students to apply for their credit cards.

BE IT FURTHER RESOLVED, That the Tennessee Board of Regents and the University of Tennessee Board of Trustees shall each report on the efficacy and initial results of such policies to the Select Oversight Committee on Education no later than September 1, 1998.

BE IT FURTHER RESOLVED, That an enrolled copy of this resolution be transmitted to the Tennessee Board of Regents of the State University and Community College System and to the Board of Trustees of the University of Tennessee System.